GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1519
ANSWERED ON:01.12.2006
JOINT BID FOR POWER PROJECTS
Topdar Shri Tarit Baran

Will the Minister of POWER be pleased to state:

(a) Whether any decision has been taken by the Government to enable National Thermal Power Corporation (NTPC) and Bharat Heavy Electricals Limited (BHEL) to bid jointly for big power projects including ultra mega power projects; and

(b) If so, the details thereof?

Answer

THE MINISTER OF THE STATE IN THE MINISTERY OF POWER(SHRI SUSHILKUMAR SHINDE)

(a) & (b) : NTPC Ltd. and BHEL have reached an understanding for association to bid for the Ultra Mega Power Projects. Therefore, NTPC Ltd. approached Ministry of Power for waiver of ceiling of Rs.1000 crore for equity investment by NTPC Ltd. to establish financial joint venture for the purpose of participating in the bidding of Ultra Mega Projects being established at the initiative of Ministry of Power. Cabinet Committee on Economic Affairs in its meeting held on 2nd November, 2006, approved the proposal of waiver of ceiling of Rs.1000 crores for equity investments by NTPC Limited to establish financial joint ventures and wholly owned subsidiaries in India or abroad for the purpose of participating in the bidding of ultra mega projects (subject to the implementation of maximum 2 projects). However, the ceiling of 15% of the net worth of NTPC in one project and the overall ceiling of 30% of the net worth of the NTPC in all such projects of NTPC put together shall remain.